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FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35840]

R. J. Corman Railroad Group, LLC and R. J. Corman Railroad Company, LLC—

Continuance in Control Exemption—R. J. Corman Railroad Company/Texas Lines, LLC

R. J. Corman Railroad Group, LLC (Group) and R. J. Corman Railroad Company, LLC (RJCRC) have filed a verified notice of exemption pursuant to 49 C.F.R.

§ 1180.2(d)(2) to continue in control of R. J. Corman Railroad Company/Texas Lines, LLC (RJCD), a noncarrier, upon RJCD's becoming a Class III carrier.

This transaction is related to a concurrently filed verified notice of exemption in R. J. Corman Railroad Company/Texas Lines, LLC—Acquisition and Operation

Exemption—Texas South-Eastern Railroad Company, Docket No. FD 35839, in which RJCD seeks Board approval under 49 C.F.R. § 1150.31 to acquire and operate approximately 12 miles of track known as the Texas Southeastern Railroad (the Line) in Angelina County, Tex.

RJCD expects to consummate the transaction proposed in Docket No. FD 35839 and become a rail carrier on or before July 31, 2014. The earliest that Group and RCJRC can exercise their continued control of RJCD as a rail carrier is July 23, 2014, the effective date of this exemption (30 days after the verified notice was filed).

Group and RJCRC represent that: (1) RJCD will not connect with any other railroad directly or indirectly controlled by Group or RJCRC; (2) the proposed continuance in control transaction is not part of a series of anticipated transactions that would connect RJCD with any railroad directly or indirectly owned and controlled by Group or RJCRC; and (3) the proposed continuance in control transaction does not involve a Class I rail carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. § 11323. See 49 C.F.R. § 1180.2(d)(2).

Under 49 U.S.C. § 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees.

Section 11326(c), however, does not provide for labor protection for transactions under §§ 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here because all of the carriers involved are Class III carriers.

If the notice contains false or misleading information, the exemption is void <u>ab initio</u>. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions to stay must be filed no later than July 16, 2014 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35840, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on David R. Irvin, Moynahan, Irvin & Mooney, PSC, 110 North Main Street, Nicholasville, KY 40356.

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Decided: July 3, 2014.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.